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The Tool Shed: Common Manual & Online Tools

Fall Workshop 2008

Dan Day & Lesley Hendrix

GROWING STRONG WITH MDHE

Today's Agenda

- What is the Common Manual?
- Versions of the Common Manual
- Common Manual Organization
- Navigating through the Common Manual
- Other Helpful Electronic Resources

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What is the Common Manual?

- First published in December 1995
  - Policies effective April 1, 1996
- Collaboration effort of guarantors
  - Governing Board
  - Executive Management Team
  - Policy Committee
- FFELP policy guidance for schools and lenders
- Developed with community participation

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Common Manual Versions

- 2008 Paper Version
  - 774 pages
- Electronic Common Manual (ECM)
  - E-Collection CD-ROM
- Integrated Common Manual (ICM)
  - Download monthly
  - www.commonmanual.org

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E-Collection

- CD-ROM Format includes:
  - **Manuals and Forms**
    - *Common Manual*
    - *Federal Student Aid Handbook*
    - Common Forms
  - **Law and Regulations**
    - Higher Education Act (HEA)
    - NCHELP Integrated Regulations-parts 668, 682, 685
    - NCHELP Topical Index of the HEA and Regulations
  - **Dear Colleague Letters and Announcements**
    - GEN Letters
    - School Letters
    - Financial Partner Letters
    - Lender Letters
    - Guarantor Letters
    - Dear GA Director Letters
    - Disaster Letters
    - Announcements

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COMMON MANUAL

Unified Student Loan Policy

Search

- Common Manual
- Review Proposals Out For Comment
- Submit Comments On Policy Proposals
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Integrated Common Manual (ICM)

April 2008 ICM

The *Common Manual* is pleased to provide the Integrated *Common Manual* to give you the most up-to-date policy information available. The Integrated *Common Manual* is updated monthly with policies approved by the Governing Board the previous month. This is a large file--depending on internet traffic and network usage it may take as long as 5 minutes to download this file. We apologize for any inconvenience this may cause.

April 2008 Replacement Pages

These pages reflect changes in *Common Manual* policies approved April 17, 2008, which do not appear in the latest printed version of the manual.

Tips for Using Electronic Versions of the Common Manual

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How is the CM Organized?

- Summary of changes
- Table of Contents
  - 18 chapters
  - Appendices A-I
- Table of Figures
- Citations and references

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Bookmarks

Options

- COMMON MANUAL Unified Student Loan Policy
  - Summary of Changes Approved September through April 2008
  - Table of Contents
  - Table of Figures
  - 1 Overview
  - 2 About the FFELP
  - 3 Lender Participation
  - 4 School Participation
  - 5 Borrower Eligibility
    - 5.1 Eligibility Requirements for Stafford and PLUS Loans
    - 5.2 Federal Data Matches
    - 5.3 Prior Loan Written Off
    - 5.4 Prior Loan Discharge Due to Total and Permanent Disability
    - 5.5 Effect of Exceeding Loan Limits on Eligibility
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    - 5.8 Effect of Drug Conviction on Eligibility
    - 5.9 Required High School Diploma or Equivalent
    - 5.10 Ability-to-Benefit Provisions
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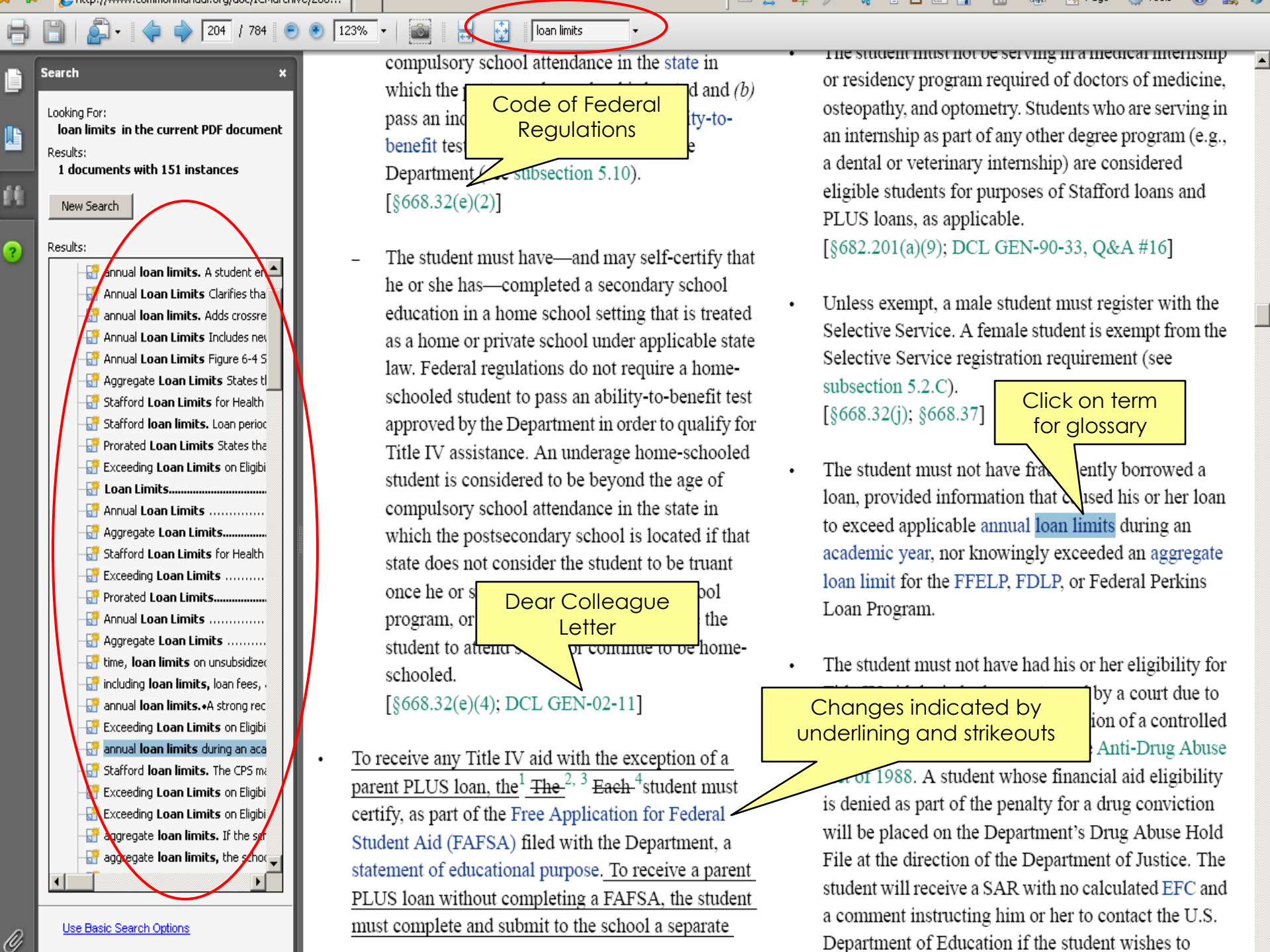
    - 5.12 Use of Telecommunications and Correspondence in Programs of Study
    - 5.13 Foreign Schools and Study-Abroad Programs

COMMON MANUAL

Unified Student Loan Policy

April 2008



compulsory school attendance in the state in which the [illegible] and *(b)* pass an ind[illegible]ty-to-benefit tes[illegible] Department ([illegible] subsection 5.10). [§668.32(e)(2)]

– The student must have—and may self-certify that he or she has—completed a secondary school education in a home school setting that is treated as a home or private school under applicable state law. Federal regulations do not require a home-schooled student to pass an ability-to-benefit test approved by the Department in order to qualify for Title IV assistance. An underage home-schooled student is considered to be beyond the age of compulsory school attendance in the state in which the postsecondary school is located if that state does not consider the student to be truant once he or s[illegible]ool program, or [illegible] the student to attend s[illegible] or continue to be home-schooled. [§668.32(e)(4); DCL GEN-02-11]

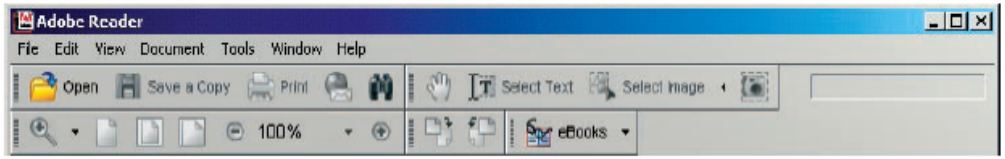
- To receive any Title IV aid with the exception of a parent PLUS loan, the[1] ~~The~~[2, 3] ~~Each~~[4] student must certify, as part of the Free Application for Federal Student Aid (FAFSA) filed with the Department, a statement of educational purpose. To receive a parent PLUS loan without completing a FAFSA, the student must complete and submit to the school a separate

- The student must not be serving in a medical internship or residency program required of doctors of medicine, osteopathy, and optometry. Students who are serving in an internship as part of any other degree program (e.g., a dental or veterinary internship) are considered eligible students for purposes of Stafford loans and PLUS loans, as applicable. [§682.201(a)(9); DCL GEN-90-33, Q&A #16]

- Unless exempt, a male student must register with the Selective Service. A female student is exempt from the Selective Service registration requirement (see subsection 5.2.C). [§668.32(j); §668.37]

- The student must not have fra[illegible]ently borrowed a loan, provided information that c[illegible]sed his or her loan to exceed applicable annual loan limits during an academic year, nor knowingly exceeded an aggregate loan limit for the FFELP, FDLP, or Federal Perkins Loan Program.

- The student must not have had his or her eligibility for [illegible] by a court due to [illegible]ion of a controlled [illegible] Anti-Drug Abuse [illegible] of 1988. A student whose financial aid eligibility is denied as part of the penalty for a drug conviction will be placed on the Department's Drug Abuse Hold File at the direction of the Department of Justice. The student will receive a SAR with no calculated EFC and a comment instructing him or her to contact the U.S. Department of Education if the student wishes to



Tips and Tricks for Online PDF Searches[1]

Search Button

- Use this feature to search for particular words or phrases within the document. Note: When using the ICM, avoid potentially irrelevant occurrences of words or phrases by going to Chapter 2 first. Just click that chapter's bookmark before you start your search.

  Quick Key Tip: Ctrl + F enables the Find feature.

  Quick Key Tip: Ctrl + G finds the next occurrence of the search word or phrase.

Selection Buttons

- Hand Tool — Use this feature to move the page or click on links.
- Zoom In Tool — Use this feature to magnify or reduce the page.
- Text Select Tool — Use this feature to highlight an area of text.

  Quick Key Tip: Ctrl + A highlights the entire page.

Page Size Buttons

- These buttons adjust the size of the page within the screen.

Copy Text Keys

- Copy and Paste the highlighted text using the Edit menu.[2]

  Quick Key Tip: Ctrl + C copies the highlighted text.

  Quick Key Tip: Ctrl + V pastes the text.

Training Briefs

- Assist FAOs in understanding the ins &outs of the common manual
- 18 briefs published
- Stay informed by subscribing to the CM Public Listserv.
  - To subscribe to the *Common Manual* Public Listserv:
    - Send an e-mail message to **majordomo@michael.usagroup.com**
    - Leave the subject line blank.
    - Type "subscribe public" in the body of the message.

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The IFAP online library contains technical publications, regulations, and policy guidance on the administration of the Federal Student Aid programs.

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- ISIR Analysis Tool
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- Counselors and Mentors Handbook
- FAFSAs and Renewal FAFSAs
- Federal Student Aid Handbook
- Federal School Code List
- Program Review Guide
- Software Technical References

Hurricane Assistance

Higher Education Opportunity Act - 2008

Ensuring Continued Access to Student Loans

FSA Fall Conference Registration is now open

On-Line References

- Accrediting Agencies: List and Criteria for Recognition
- ACG Recognized State Rigorous Secondary School Programs of Study
- Application Processing Materials
- Campus-Based Program Materials
- Common Origination & Disbursement (COD)
- Default Rate Materials
- Direct Loan Information
- FFEL Special Allowance Rates & Variable Interest Rates
- National SMART Grant Eligible Majors for 2008-2009 Award Year
- NSLDS Reference Materials
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- SAR/ISIR Reference Materials

Law & Regulations

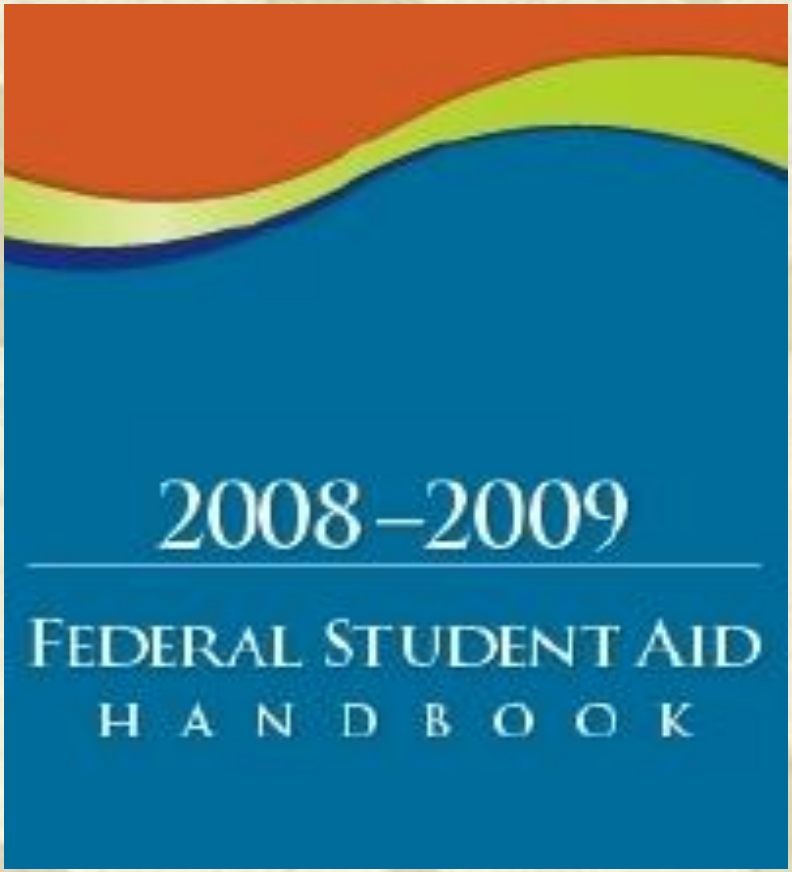
- Code of Federal Regulations (GPO Compilation)
- Federal Registers
- Higher Education Act As Amended (Through October 2002)
- US Code (GPO Compilation)

Worksheets, Schedules, & Tables

- Drug Worksheets
- EFC Formula Worksheets and Tables

IFAP Publications

Federal Student Aid Handbook



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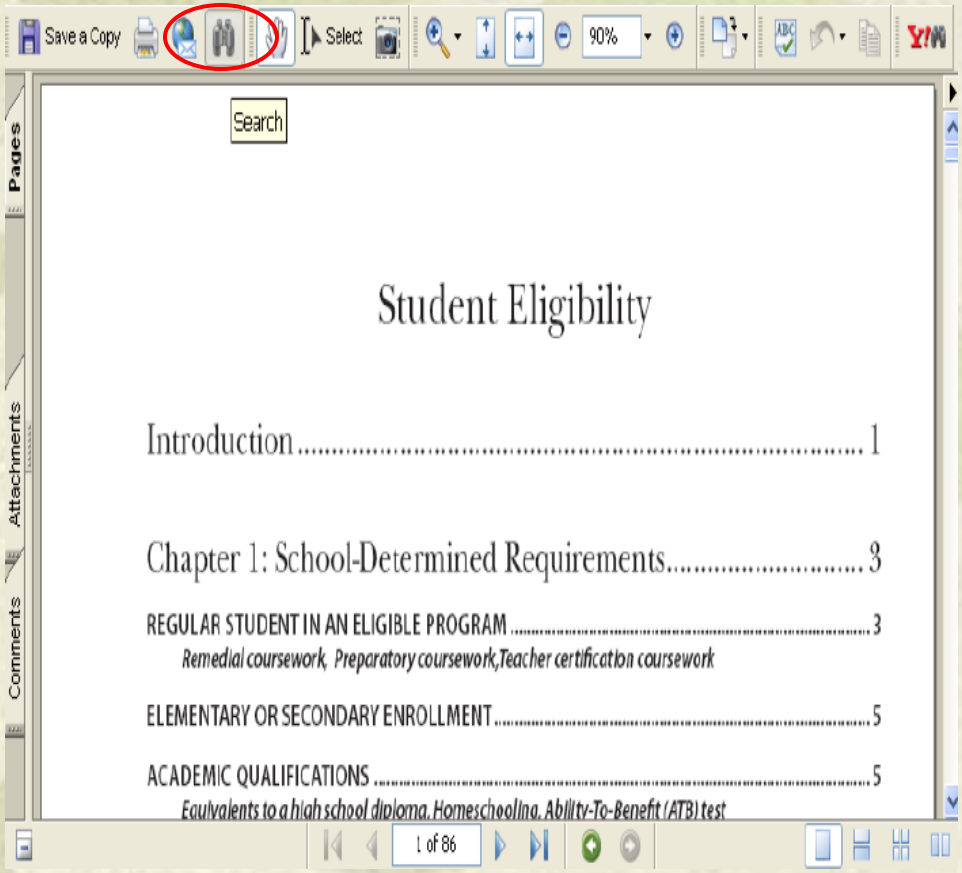
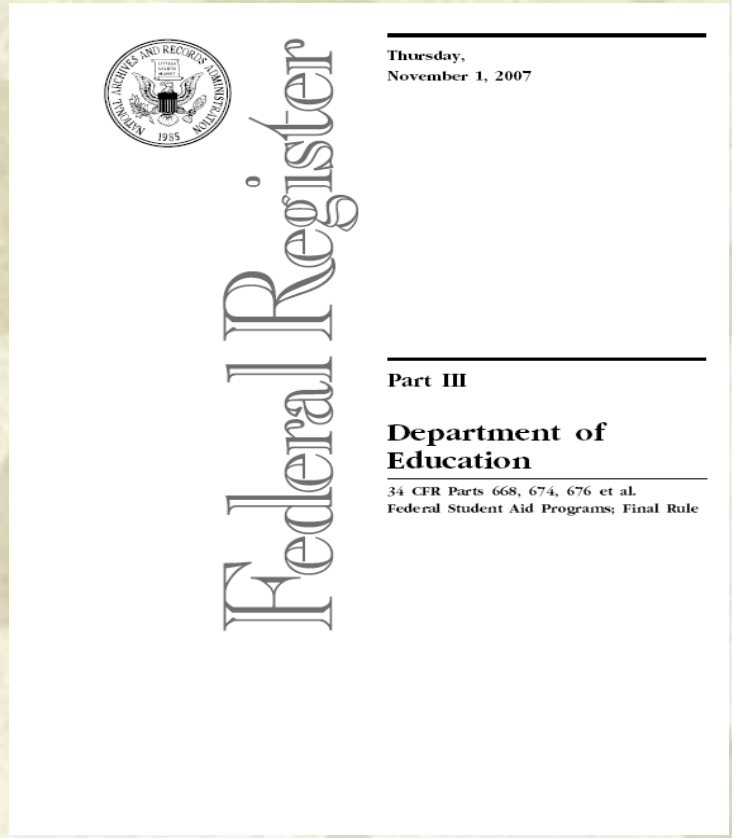


IFAP Publications

Federal Register


Federal Register

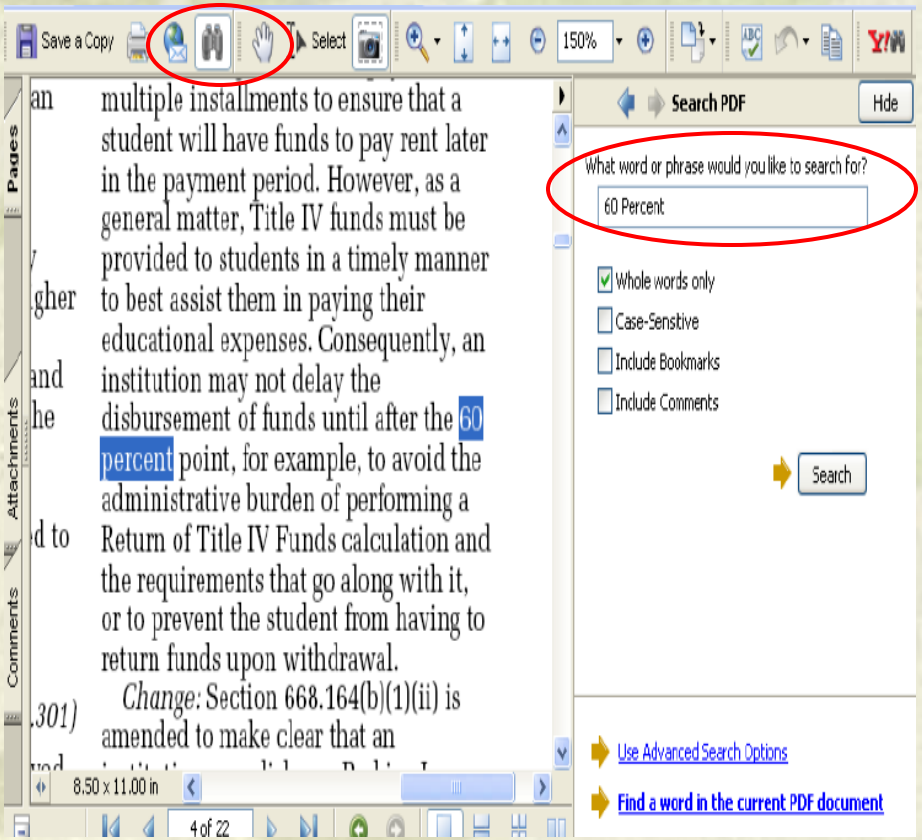
Thursday,
November 1, 2007

Part III

Department of Education

34 CFR Parts 668, 674, 676 et al.
Federal Student Aid Programs; Final Rule

Search Tool



673	673.1 to 673.7	GENERAL PROVISIONS FOR THE FEDERAL PERKINS LOAN PROGRAM, FEDERAL WORK-STUDY PROGRAM, AND FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT PROGRAM
674	674.1 to 674.64	FEDERAL PERKINS LOAN PROGRAM
675	675.1 to 675.50	FEDERAL WORK-STUDY PROGRAMS
676	676.1 to 676.21	FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT PROGRAM
682	682.100 to 682.800	FEDERAL FAMILY EDUCATION LOAN (FFEL) PROGRAM
685	685.100 to 685.402	WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM
686	686.1 to 686.43	TEACHER EDUCATION ASSISTANCE FOR COLLEGE AND HIGHER EDUCATION (TEACH) GRANT PROGRAM
690	690.1 to 690.83	FEDERAL PELL GRANT PROGRAM

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Compilation of Federal Education Laws:

(Files are in pdf format, click here for assistance with pdf documents)

- **Volume VI** - Nutrition, Human Services, and Related Laws As Amended Through December 31, 2002, 107th Congress, Second Session (Serial No. 107-D). *January 2003.*
- **Volume V** - Select Education and Related Programs As Amended Through December 31, 2000, 107th Congress, First Session (Serial No. 107-A). *September 2001.*
- **Volume IV** - Vocational Education, Workforce Development and Related Programs, Rehabilitation Act of 1973 and Related Laws, and Public Libraries and Other Public Property Laws As Amended Through December 31, 2002, 107th Congress, Second Session (Serial No. 107-C). *January 2003*
- **Volume III** - Higher Education Act As Amended Through October 2002:
  - HEA Titles I, II & III
  - HEA Title IV, Parts A and B
  - HEA Title IV, Parts C, D, E, F, G & H
  - HEA Titles V, VI & VII
  - Other Higher Education Laws
- **Volume II** - Elementary and Secondary Education, Individuals With Disabilities, And Related Programs As Amended Through December 31, 2002, 107th Congress, Second Session (Serial No. 107-B). *January 2003.*

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- EFC Formula Worksheets and Tables
- 2008-09 Pell Grant Payment Schedules
- 2007-08 Pell Grant Payment Schedules
- Return of Title IV Aid Worksheets
- Format for Referring Overpayments to Borrower Services
- Verification Worksheets

UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF POSTSECONDARY EDUCATION

THE ASSISTANT SECRETARY

General Distribution Type
Year
Sequence Number

GEN-08-01
FP-08-01

January 8, 2008

Subject: The College Cost Reduction and Access Act of 2007 (CCRAA), Public Law 110-84

Summary: This letter discusses the major changes made to the Title IV loan and grant programs by the CCRAA.

Dear Colleague:

On September 27, 2007, President Bush signed into law the College Cost Reduction and Access Act (Pub.L.110-84) (CCRAA). The Act reduces payments to lenders and guaranty agencies participating in the Federal Family Education Loan (FFEL) Program, authorizes increases in the amount of Federal Pell Grants, establishes the Teach

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modules to help schools enhance their services. The modules contain links to applicable laws and regulations. If you have questions regarding how to use this useful tool please visit our FAQ page.

This chart features examples of specific compliance issues and provides recommendations for related assessments that your school may want to complete.

This denotes a new assessment.

This denotes an updated assessment.

Students	Schools
Student Eligibility	Institutional Eligibility
Satisfactory Academic Progress	Default Prevention & Management
Verification	Consumer Information
	Automation
Managing Funds	**Innovations**
Fiscal Management	Policies and Procedures
Return of Title IV Funds	
FWS	

The Policies and Procedures assessments are designed to help new and established schools develop new policies and procedures as well as evaluate and improve existing policies and procedures. To make it easy to find the activities that are appropriate for your school, they have been divided into the three sections outlined below. To view the templates for each section, click on any of the Titles: Beginners (New Schools), Intermediate or Advanced

Beginners (New Schools)

If your school is new, it will be very beneficial for you to begin with the Getting Started with Developing Institutional Policies and Procedures Worksheet. This worksheet will help ensure your school meets the basic regulation requirements in the following policy areas:

- Satisfactory Academic Progress (SAP)
- Admissions
- Refunds
- Returns to Title IV and HEA Programs

Each of these four sections provides a working Topic Template to assist you with the development of your policy and procedure design. Although not required, they can be useful guides.

Once your school has satisfied the basic requirements, you will be ready to move on to the assessments provided in the **Intermediate** section of the Policies and Procedures Chart.

R2T4 Activity 1: Return of Title IV Funds File Review Worksheet

Additional Links: 2008-09 FSA Handbook Overawards, Overpayments & Withdrawal Calculations, Chapter 2; Return of Title IV Aid Worksheets; DCL GEN-04-03; DCL GEN-06-05; DCL GEN-06-10; Federal Register, November 2, 2007

R2T4 on the Web is accessible through the FAA Main Menu of the FAA Access to CPS Online website (http://www.fafsa.ed.gov/FOTWWebApp/faa/faa.jsp) and from the View menu in the EDExpress for Windows software.

General Return of Title IV Funds Requirements	Activity
Withdrawal Date (See Step 2 of the Return of Title IV Aid Worksheets) 668.22(b)(3), DCL-GEN-04-03	
Calculation (See Steps 1 and 2 of the Return of Title IV Aid Worksheets), 34 CFR 668.22(a)(1); 2008-09 FSA Handbook, Overawards, Overpayments & Withdrawal Calculations, Chapter 2, page 5-38 through 5-40	R2T4 Activity 1: Return of Title IV Funds File Review Worksheet
Post-Withdrawal Disbursements (See Step 4 of the Return of Title IV Aid Worksheets) 34 CFR 668.22(a)(3), and 34 CFR 668.22(a)(4)	
Return of Funds - See 668.22(a), 668.22(g), 668.22(i), and 668.22(j).	
Grant Overpayments (Refer to appropriate steps within Return of Title IV Worksheets) 668.22(h)(4)	

Policies and Procedures Chart

	Licensing Agency Exercise
Written arrangements Between Schools 668.5	Institutional Eligibility Activity 4: Consortium Agreements Institutional Eligibility Activity 5: Contractual Agreements
Program Participation Agreement 668.14	Institutional Eligibility Activity 1: Program Participation Agreement Checklist
Financial Responsibility 668.23, 668.171, 668.173, 668.174	
Recertification 600.31, 600.32, 600.20, 600.21, Link to E-App, 668.188	Institutional Eligibility Activity 6: Additional Locations & Non-Degree Programs
Consumer Information (668.41 through 668.48)	
Preferred Lender Lists 682.212 (h); 682.401; Federal Register, November 1, 2007	Institutional Eligibility Activity 7: Preferred Lender Lists

Policies and Procedures Chart

Activity 7: Preferred Lender Lists

If your school provides a preferred Lender List to students, it must be developed and used according to regulatory standards outlined in *682.212(h)* and *682.401*

Complete the checklist to ensure that all requirements for Preferred Lender Lists have been met.

Requirement	Improvement Needed
The school's preferred lender list is provided to prospective borrowers in one of the following formats: ❑ On a form such as in print ❑ Electronically, such as on a website ❑ Other medium (explain)_____	
❑ The school does not deny or delay processing student requests for	

❑ The school does not deny or delay processing student requests for a loan if the students chosen lender is not on the preferred lender list	
❑ The school's preferred lender list contains at least three unaffiliated lenders that are willing to make loans to students at the school	
❑ The school's preferred lender list does not include any lenders that have offered financial or other to the school in exchange for inclusion on the list	
❑ The school discloses to prospective borrowers the method and criteria that was used to select the lenders on the list	
❑ The school provides comparative information on the interest rates and other benefits offered b each of the lenders on the list	
❑ The school has a prominent statement accompanying the list that informs the prospective borrowers that they are not limited to the lenders on the list	
❑ The school does not assign a lender to a first-time borrower. The school allows the borrower to make their own lender choice	
❑ The school updates their preferred lender list and the relevant comparison information at least annually	

Module 5

School Responsibilities: Awarding Aid

Select a menu item to enter a lesson

Select an arrow to view a description of each lesson

5-01: Constructing Student Expense Budgets

5-02: Estimating Funds Available for Awards

5-03: Packaging Policies

5-04: Satisfactory Academic Progress Policies

5-05: Managing the FSA Application Process

Shows how schools set up the operating systems and policies they must have in place before awarding federal financial aid.

N·A·S·F·A·A

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- Webinars

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- CORE (In-Service Training)
- Counselor Materials and Financial Aid Night Presentation
- Policies & Procedures Tools
- Tips for Trainers

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- CCRAA Resources
- Compiled Title IV Regulation
- Ask a Regulatory Question

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- Self-Evaluation Guide

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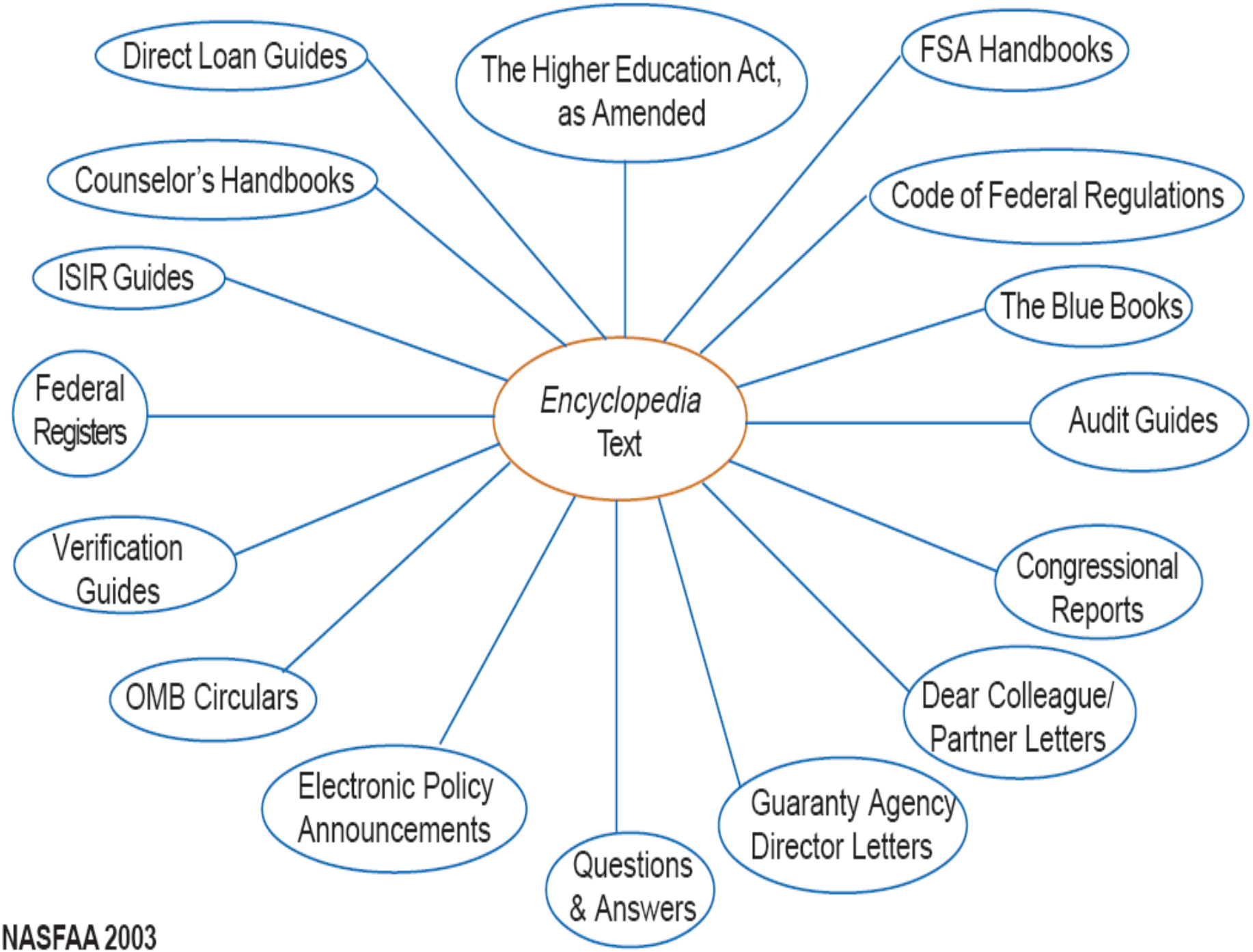
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The Higher Education Act, as Amended
FSA Handbooks
Counselor's Handbooks
Code of Federal Regulations
ISIR Guides
The Blue Books
Federal Registers
Encyclopedia Text
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TODAY'S NEWS HEADLINES

NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

RSS

Wednesday, June 11, 2008

- NASFAA National Conference: Humanitarian Project - Support The Pajama Program
- National Chair Blog: Three Weeks Till Liftoff!
- Community Colleges And Students In Need Of Financial Assistance

FINANCIAL AID IN THE NEWS

NATIONAL NEWS

- Sallie Mae Vows A Loan For Every Eligible Student (The Denver Post)
- Best Places To Seek Student Loans (SmartMoney)
- Beat The College Loan Crunch (CNN Money)

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Encyclopedia Text

- Chapter 1 - General Program Administration
- Chapter 2 - Federal Pell Grant
- Chapter 3 - Federal Supplemental Educational Opportunity Grant
- Chapter 4 - Federal Work-Study (FWS)
- Chapter 5 - Federal Perkins Loan
- Chapter 6 - Federal Family Education Loan and Direct Loan Programs
- Reauthorization Supplement

Reference Documents

- Compiled Regulations
- Higher Education Act as Amended
- Federal Student Financial Aid Handbooks
- Direct Loan School Guides
- Other Department of Education Publications
- The Blue Books
- Dear Colleague Letters
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- Miscellaneous Related Documents

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6.0 FFEL and Direct Loan Programs

Other than the campus-based Federal Perkins Loan Program, two groups of long-term Title IV federal loan programs currently serve students and their parents: • the Federal Family Education Loan Program (abbreviated FFEL or FFELP); and • the William D. Ford Federal Direct Loan Program (shortened in common usage to the Direct Loan Program).	
The governing statutes and regulations are similar in most respects, and, although it is permissible to participate in both, generally an institution participates in either one or the other.	685.101(a)(2)
A school that has chosen to participate in only one program is not obligated to make funds available under the other; for example, a Direct Loan-only school may refuse to certify FFELP loans.	2000 DL Conference Policy Update, Q&A #51
A school that participates in both the FFEL and Direct Loan programs may provide loans through either program to certain groups of borrowers (for example, graduate students or students attending a particular campus) or to individual borrowers. However, a school that participates in both programs is not required to offer each borrower at that institution a choice between the two programs. No student or parent borrower may receive funding from both programs for the same period of enrollment.	2000 DL Conference Policy Update, Q&A #51 HEA, sec. 454(a)(4)
Section 6.1 provides a selected legislative history of the FFEL and Direct Loan programs and gives information regarding regulations governing these programs. Section 6.2 explains the types of loans provided. Section 6.3	

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NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

SELF-EVALUATION GUIDE

Twenty Third Edition
2007-2008

NASFAA Self-Evaluation Guide for Institutional participation in Title IV and other Federal Programs

The twenty-third edition of NASFAA's *Self-Evaluation Guide* serves as an in-house self assessment tool to help your institution prepare for required audits of the institution's administration of the Title IV and U.S. Department of Health and Human Services (HHS) student financial assistance programs during the 2007-08 award year. Requirements representing changes effective for the 2007-08 award year are highlighted. We hope that you find the *Guide* helpful as you evaluate your institution's compliance. .

All the documents below are in PDF format and require the free Adobe Acrobat Reader for viewing. Individual sections may be viewed or downloaded from the contents listed below. Click here to access all 27 sections of the Guide in a single PDF file. Due to its large size, the file will take several minutes to download. The single PDF file is not interactive. The Guide contains references to current Title IV regulations and other ED publications and guidance. All sections of the Guide except Appendix B are interactive, allowing you to complete each part of a question by inserting a checkmark or the

Part 1: Institutional Responsibilities

I. Institutional Policies and Procedures *(Completed)*
II. Cash Management *(Completed)*
III. Return of Title IV Funds *(Completed)*
IV. Personnel and Interoffice Communication *(Completed)*
V. Student Consumer Information *(Completed)*
VI. Family Educational Rights and Privacy Act (FERPA) *(Completed)*
VII. Recommended Good Practices *(Completed)*
VIII. Statement of Ethical Principles *(Completed)*

Part 2: Administration of Title IV Federal Aid Programs

I. Student Eligibility *(Completed)*
II. Verification *(Completed)*
III. Federal Pell Grant Program *(Completed)*
IV. Academic Competitiveness Grant (ACG) and National Science and Mathematics Access to Retain Talent Grant (SMART) *(Completed)*
V. Campus-Based Programs, Common Provisions *(Completed)*
VI. Federal Perkins Loan Program *(Completed)*

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- **Integrated Common Manual**

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<table>
<tr><th>Subject</th><th>Law impacted</th><th>Summary (Section number refers to Bill Section)</th><th>Effective Date</th><th>Questions/Issues</th></tr>
<tr><td colspan="5">Loan Limits: Dependent Undergraduate</td></tr>
<tr><td>Annual Unsubsidized Stafford loan Limits:</td><td>HEA Sec. 428H(d)(3)</td><td>Sec. 2. Raises annual Stafford loan limits for dependent undergraduate students by adding $2,000 in additional unsubsidized eligibility. Does not apply to dependent undergraduate students whose parents are unable to borrower a PLUS loan. Currently, this amount is set at the based subsidized/unsubsidized Stafford limit.

<table>
<tr><th></th><th>Subsidized/ Unsubsidized Base amount</th><th>Additional Unsub for loans 1st disb prior to 7/1/08</th><th>Additional Unsub for loans 1st disb on or after 7/1/08</th></tr>
<tr><td>1st yr</td><td>$3,500</td><td>$0</td><td>$2,000</td></tr>
<tr><td>2nd yr</td><td>$4,500</td><td>$0</td><td>$2,000</td></tr>
<tr><td>3rd yr</td><td>$5,500</td><td>$0</td><td>$2,000</td></tr>
<tr><td>4th yr</td><td>$5,500</td><td>$0</td><td>$2,000</td></tr>
</table></td><td>Loans first disbursed on or after July 1, 2008</td><td>Will schools need to make appropriate changes to aid packages already certified due to the increased eligibility for loan funds? Yes. Schools will be able to certify the additional unsubsidized funds as a new loan to be disbursed on or after 7/1/08, or, if the loan was not scheduled to be first disbursed prior to 7/1/08, add the additional eligibility to the disbursements scheduled.</td></tr>
<tr><td>Aggregate Stafford loan limits</td><td>HEA Sec. 428H(d)(3)</td><td>Sec. 2. It increases the aggregate amount an undergraduate dependent student may borrow under the Stafford loan program to $31,000 (no more than $23,000 subsidized).

<table>
<tr><th>Aggregate Loan Limits</th><th>Subsidized Limit</th><th>Unsub limit (including subsidized limit)</th></tr>
<tr><td>Undergraduate dependent</td><td>$23,000</td><td>$31,000</td></tr>
</table></td><td>Loans first disbursed on or after July 1, 2008</td><td></td></tr>
<tr><td colspan="5">Loan Limits: Independent Undergraduate</td></tr>
<tr><td>Annual Unsubsidized Stafford loan Limits:</td><td>HEA Sec. 428H(d)(4)</td><td>Sec. 2. For independent students, or students whose parents can't obtain federal parent PLUS loans:

• For first two years of undergraduate study: Increases</td><td>Loans first disbursed on or after July 1, 2008</td><td>For independent undergraduate students, is the borrower eligible for the $2,000 additional unsub for dependent students, as well as the additional $2,000 in independent unsub</td></tr>
</table>

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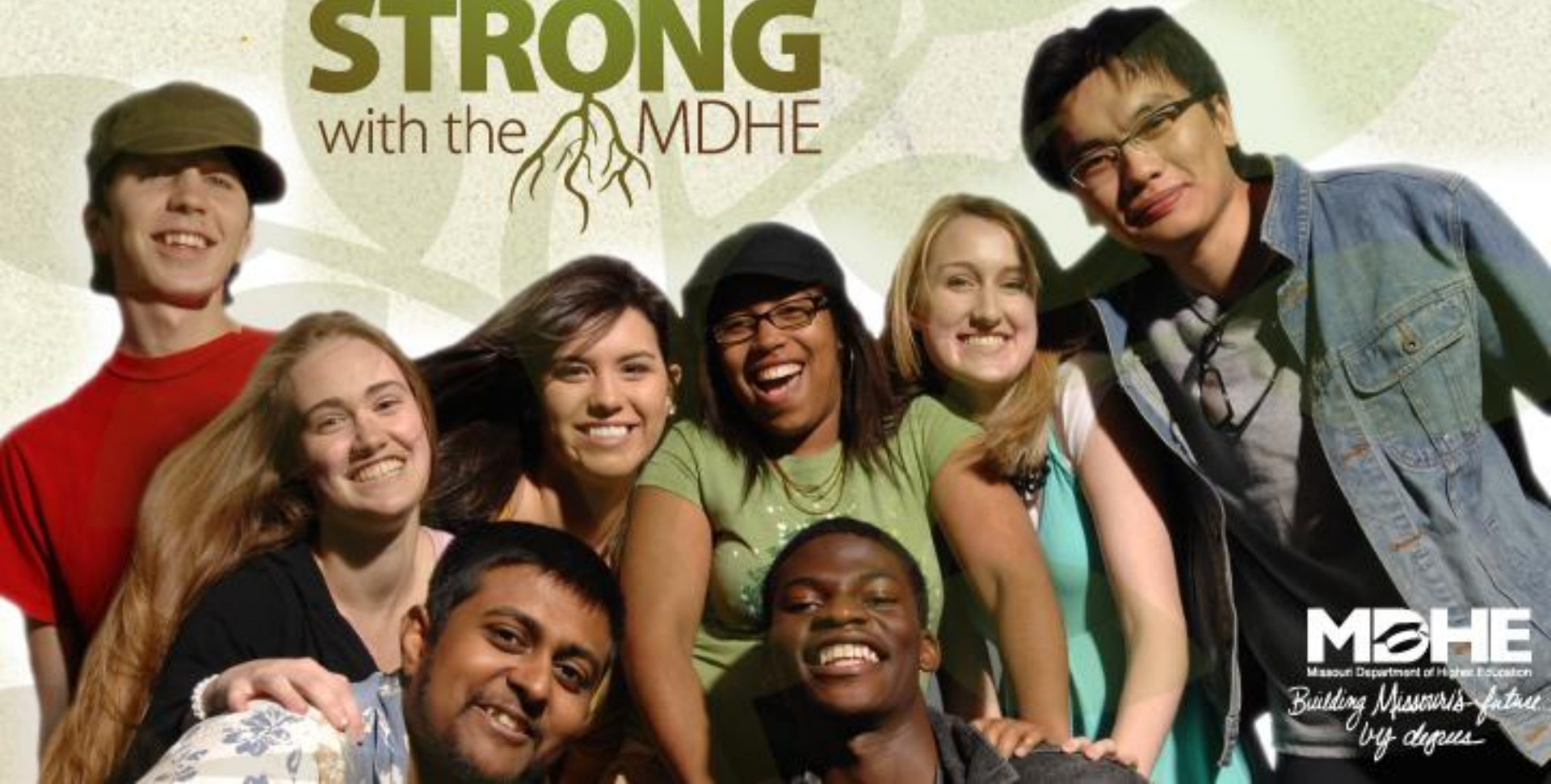
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